STATEMENT OF BASIS

Transcontinental Gas Pipe Line Company, LLC Station 95 Marion Junction, Dallas County, Alabama Facility/Permit No. 104-0031 Significant Modification

This draft renewal Title V Major Source Operating Permit (MSOP) significant modification is proposed under the provisions of ADEM Admin. Code r. 335-3-16. The above named applicant has requested authorization to perform the work or operate the facility shown on the application and drawings, plans, and other documents attached hereto or on file with the Air Division of the Alabama Department of Environmental Management, in accordance with the terms and conditions of this permit. The current MSOP was issued on July 21, 2015, and will expire on July 20, 2020.

Transcontinental Gas Pipe Line Company, LLC (Transco) operates a compressor station for the transmission of pipeline natural gas. The significant sources of air pollutants at this facility are two (2) 17,239 hp Solar Mars 100-16000S natural gas-fired turbines equipped with dry low NOx combustion (Mainline Units (MLU) 1 and 2), a 16,865 hp Solar Mars 100-16000S natural gas-fired turbine equipped with dry low NOx combustion (MLU 3), and a 1,060 hp Waukesha P48GL 4-stroke, lean-burn (4SLB), natural gas-fired emergency generator (Auxiliary (AUX) 1). Insignificant emission sources at this station include a 4,200 gallon fixed roof condensate storage tank; a 4,200 gallon fixed roof wastewater storage tank; and miscellaneous gas venting emissions.

Proposed Changes

The draft MSOP includes the following change to the current permit:

• Incorporation of Requirements of Air Permit No. X005 for the 16,865 hp Solar Mars 100-16000S natural gas-fired turbine equipped with dry low NOx combustion (MLU 3) (40 CFR Part 60, Subpart KKKK)

Transco was issued Air Permit No. X005 on April 22, 2015, for the proposed installation of the 16,865 hp Solar Mars 100-16000S natural gas-fired turbine equipped with dry low NOx combustion (MLU 3). Temporary Authorization to Operate was issued on April 27, 2017. After successfully completing a compliance test conducted on September 25, 2017, Authorization to Operate was granted to Transco on November 13, 2017.

Applicability: Federal Regulations

Title V

This facility is a major source under Title V regulations because the potential emissions for nitrogen oxides (NO_x) and carbon monoxide (CO) exceed the 100 TPY major source threshold. It is not a major source of Hazardous Air Pollutants (HAP) because individual HAP potential emissions do not exceed 10 TPY and the total HAP potential emissions do not exceed 25 TPY.

Prevention of Significant Deterioration (PSD)

This facility is located in an attainment area for all criteria pollutants and the facility operations are not one of the 28 listed major source categories; therefore, the major source threshold of concern is 250 TPY. The facility-wide potential emissions are below 250 TPY for each regulated criteria pollutant. Therefore, this facility is considered a minor source under PSD regulations. The facility requested that the emergency generator be limited to 500 hours of operation during any 12-month period in order to accommodate for emissions from potential future construction projects. (Note: The operating limitation for the emergency generator is not necessary for the facility to be considered a minor source under PSD.)

NSPS

The turbine is subject to the Standards of Performance for Stationary Combustion Turbines (40 CFR Part 60, Subpart KKKK), because the turbine has a heat input at peak load greater than 10 MMBtu/hr and because construction commenced after the February 18, 2005, applicability date. The turbine is classified as a new turbine firing natural gas and with a heat input at peak load between 50 MMBtu/hr and 850 MMBtu/hr.

MACT

On March 5, 2004, EPA promulgated 40 CFR Part 63, Subpart YYYY, National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines (the Combustion Turbine MACT). The turbine is not subject to this subpart because it is not located at a major source of HAP emissions.

Applicability: State Regulations

Although the turbine is a fuel combustion source, it is not subject to any particulate matter (as TSP) emission limitation of ADEM Admin. Code r. 335-3-4 or any sulfur dioxide (SO₂) emission limitation of ADEM Admin. Code r. 335-3-5 because it does not meet the definition of fuel burning equipment nor is this facility considered one of the process industries, general or specific. The turbine is, however, subject to the visible emissions standards of ADEM Admin. Code r. 335-3-4-.01(1). Since it is fired exclusively with natural gas, it is expected to be able to comply with this standard.

Emission Testing and Monitoring

Emission Unit No. 004-16,865 hp Solar Mars 100-16000S, Natural Gas-fired Turbine equipped with a Dry Low NOx Combustor (Mainline Unit No. 3)

Subpart KKKK regulates emissions of NO_X and SO_2 . Transco is required to meet a NO_X emission limit of 25 ppmvd at 15% O_2 and an SO_2 emission limit of 0.060 lb SO_2 /MMBtu. Transco will demonstrate compliance with the NOx emission limit through performance testing and will comply with the SO_2 emission standard by burning fuel with a total sulfur content less than 1 gr/scf (0.003 lb SO_2 /MMBtu).

§60.4365(a) allows Transco to be exempt from monitoring the total sulfur content of fuel by demonstrating that the fuel would not exceed potential sulfur emissions of 26 ng SO₂/J (0.060 lb SO₂/MMBtu) heat input. The required demonstration would be achieved by maintaining fuel quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the fuel, specifying that the maximum total sulfur content for the natural gas would be 20 grains of sulfur or less per 100 standard cubic feet.

As a major source under Title V regulations, Transco is required to perform an initial performance test on MLU 3 for NOx using the appropriate EPA Reference Method or an alternative method approved in advance by the Air Division. Transco is also required to perform subsequent emission testing once per calendar year during which a unit operates for the purposes of production (i.e. the compression/transmission of natural gas). The subsequent annual emission testing may be conducted using either an approved EPA Reference Method or with a portable analyzer. Periodic monitoring for the purposes of Title V may be conducted concurrently with the annual or biennial EPA Reference Method test that is required by 40 CFR Part 60, Subpart KKKK. No periodic monitoring is required if a unit does not operate for production purposes during the annual testing period.

Transco is required to certify on a semiannual basis that only natural gas was burned in the turbine as a method for monitoring compliance with the visible emission requirements of ADEM Admin. Code r. 335-3-4-.01(1) because opacity would be negligible while combusting natural gas.

Recordkeeping and Reporting

§60.8(d) requires Transco to notify the Air Division at least 30 days prior to conducting any performance test. §60.4375(b) requires Transco to submit a written test report within 60 days of completing the performance test. Transco will also comply with the reporting requirements in §60.7. Since this facility operates under a MSOP, all records required under this Subpart must be retained for at least five years from the date of generation of each record and be readily available for inspection upon request.

The facility would be required to include the following information (as applicable) for Emission Unit No. 004 in the Semiannual Monitoring Report required by General Permit Proviso No. 21:

A written report, certified by a responsible official, shall be submitted to the Air Division on a semiannual basis, due no later than **March 1**st and **August 29**th each year, certifying that the emission monitoring was accomplished as required and describing the date and reason any required monitoring was not accomplished; all instances of deviations from permit requirements; excursions from any emission monitoring parameters; and the nature and date of any corrective actions taken as a result of excursions from the emission monitoring parameters. Transco is required to include a statement addressing whether only natural gas was fired in the unit during the respective reporting period. Transco is also required to include a statement addressing whether the unit operated for production purposes during the respective reporting period. Transco would be required to maintain the most current fuel tariff sheet on-site in a form suitable for inspection.

Public Notice

The issuance of this Title V MSOP would require a 30-day public comment period and a 45-day

EPA review period.

Recommendation

Based on the above analysis, I recommend that Transco's Major Source Operating Permit (104-0031) be modified to include the requirements of Air Permit No. X005 with the conditions noted above, pending the resolution of any comments received during the 30-day public comment period and 45-day EPA review period. I also recommend that the cover letter request Transco to return Air Permit No. X005 to the Air Division upon receipt of the modified MSOP so that it may be voided.

Andrea Sellers
Chemical Branch
Natural Resources Section
Agriculture/Gas Unit

andrea Dellers

Air Division

DRAFT Date

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